

Team if no objection has been provided within ~~five (5)~~ten (10) business days after the date of CareFirst's request for approval or consent (provided that such request also includes information reasonably requested by Purchaser to evaluate such request). Further, ~~neither the Purchaser nor the Transition Team may unreasonably withhold its consent for any action under Section 6.1(a).~~

OCC 011355

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY STATE SECURITIES LAW, AND THIS NOTE MAY NOT BE OFFERED, SOLD, TRANSFERRED OR OTHERWISE DISPOSED OF EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT OR PURSUANT (I) TO THE COMPANY'S CONSENT AND (II) TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAW.

WELLPOINT HEALTH NETWORKS INC.

SUBORDINATED NOTE DUE _____, 20__

\$ _____ 20__

WellPoint Health Networks Inc., a Delaware corporation (the "Company"), for value received hereby promises to pay to the holder hereof on _____, 20__ (the "Stated Maturity"), the principal sum of _____ dollars (\$ _____). This Note shall bear interest at a rate equal to ____% (the "Interest Rate"), payable semi-annually in arrears (calculated on the basis of a 360-day year of twelve 30-day months) on _____ and _____ of each year beginning on _____, 20__.

This Note shall also be subject to the following terms:

ARTICLE 1
DEFINITIONS

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Section 1.1 Definitions

"Bankruptcy Law" means Title 11, United States Code, or any similar Federal or state law for the relief of debtors.

"Default" means any event which is, or after notice or passage of time or both would be, an Event of Default.

"Designated Senior Indebtedness" means (i) any particular Senior Indebtedness in which the instrument creating or evidencing the same or the assumption or guarantee thereof (or related agreements or documents to which the Company is a party) expressly provides that such Senior Indebtedness shall be "Designated Senior Indebtedness" for purposes of this Note; provided that such instrument, agreement or other document may place limitations and conditions on the right of such Senior Indebtedness to exercise the rights of Designated Senior Indebtedness and (ii) any other Indebtedness of the Company designated by the Company as of the date hereof..

"Indebtedness" means, with respect to any Person, and without duplication, (a) all indebtedness, obligations and other liabilities (contingent or otherwise) of such Person for

borrowed money (including obligations of the Company in respect of overdrafts, foreign exchange contracts, currency exchange agreements, interest rate protection agreements, and any loans or advances from banks, whether or not evidenced by notes or similar instruments) or evidenced by bonds, debentures, notes or similar instruments (whether or not the recourse of the lender is to the whole of the assets of such Person or to only a portion thereof), (b) all reimbursement obligations and other liabilities (contingent or otherwise) of such Person with respect to letters of credit, bank guarantees or bankers' acceptances, (c) all obligations and liabilities (contingent or otherwise) in respect of leases of such Person (i) required, in conformity with generally accepted accounting principles, to be accounted for as capitalized lease obligations on the balance sheet of such Person, or (ii) required, in conformity with generally accepted accounting principles, to be accounted for as an operating lease, provided either (A) such operating lease requires, at the end of the term thereof, that such Person make any payment other than accrued periodic rent in the event that such Person does not acquire the leased real property and related fixtures subject to such lease, or (B) such Person has an option to acquire the leased real property and related fixtures, whether such option is exercisable at any time or under specific circumstances, (d) all obligations of such Person (contingent or otherwise) with respect to an interest rate swap, cap or collar agreement or other similar instrument or agreement, (e) all direct or indirect guaranties or similar agreements by such Person in respect of, and obligations or liabilities (contingent or otherwise) of such Person to purchase or otherwise acquire or otherwise assure a creditor against loss in respect of, indebtedness, obligations or liabilities of another Person of the kind described in clauses (a) through (d), (f) any indebtedness or other obligations described in clauses (a) through (d) secured by any mortgage, pledge, lien or other encumbrance existing on property which is owned or held by such Person, regardless of whether the indebtedness or other obligation secured thereby shall have been assumed by such Person and (g) any and all deferrals, renewals, extensions and refundings of, or amendments, modifications or supplements to, any indebtedness, obligation or liability of the kind described in clauses (a) through (f).

"Note" means this Note, as amended or supplemented from time to time in accordance with the terms hereof.

"Person" means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof.

"SEC" means the U.S. Securities and Exchange Commission.

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"Securities Act" means the Securities Act of 1933, as amended, and the rules and regulations of the SEC promulgated thereunder.

"Senior Indebtedness" means the principal of, premium, if any, interest (including all interest accruing subsequent to the commencement of any bankruptcy or similar proceeding, whether or not a claim for post-petition interest is allowable as a claim in any such proceeding), rent and end of term payments payable on or in connection with, and, to the extent not included in the foregoing, all amounts payable as fees, costs, expenses, liquidated damages, indemnities, repurchase and other put obligations and other amounts to the extent accrued or due on or in connection with, Indebtedness of the Company (including the Zero Coupon Convertible

Subordinated Debentures Due 2019 of the Company), whether outstanding on the date of this Note or thereafter created, incurred, assumed, guaranteed or in effect guaranteed by the Company (including all deferrals, renewals, extensions or refundings of, or amendments, modifications or supplements to, the foregoing. Notwithstanding the foregoing, the term Senior Indebtedness shall not include (i) Indebtedness evidenced by this Note, (ii) Indebtedness of the Company to any subsidiary of the Company, a majority of the voting stock of which is owned, directly or indirectly, by the Company, (iii) accounts payable or other indebtedness to trade creditors created or assumed by the Company in the ordinary course of business and (iv) any particular Indebtedness (other than the Zero Coupon Convertible Subordinated Debentures Due 2019 of the Company) in which the instrument creating or evidencing the same or the assumption or guarantee thereof expressly provides that such Indebtedness shall not be senior in right of payment to, or is *pari passu* with, or is subordinated or junior to, this Note.

ARTICLE 2

REDEMPTION

Section 2.1 Right to Redeem.

This Note is redeemable in whole or in part, from time to time, at the option of the Company. Upon such redemption, the Company shall pay the holder the principal amount of this Note so redeemed plus accrued but unpaid interest on such principal amount.

Section 2.2 Notice of Redemption.

At least 20 days but not more than 60 days before any redemption, the Company shall mail a notice of redemption by first-class mail, postage prepaid, to the holder of this Note, setting forth the principal amount to be redeemed, the interest on such principal amount that will accrue and be unpaid prior to such redemption and the date for such redemption.

The notice, if mailed in the manner herein provided, shall be conclusively presumed to have been duly given, whether or not the holder receives such notice.

Section 2.3 Effect of Notice of Redemption.

Once notice of redemption is given, pursuant to Section 2.2, the principal amount so redeemed shall become due and payable on the date for such redemption.

Section 2.4 Notes Redeemed in Part.

In the event this Note is redeemed in part, the Company shall execute and deliver to the holder a new note in principal amount equal to the unredeemed portion of this Note.

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ARTICLE 3
DEFAULTS AND REMEDIES

Section 3.1 Events of Default.

An "Event of Default" occurs if:

- (1) the Company defaults in the payment of the principal amount or interest accrued thereon when the same becomes due and payable at the Stated Maturity or upon redemption, whether or not such payment shall be prohibited by Article 4 hereof;
- (2) the Company fails to comply with any of its agreements or covenants herein (other than those referred to in clause (1) above) and such failure continues for 60 days after receipt by the Company of a Notice of Default;
- (3) a decree or order by a court having jurisdiction in the premises shall have been entered adjudging the Company a bankrupt or insolvent, or approving as properly filed a petition seeking reorganization of the Company under any Bankruptcy Law, and such decree or order shall have continued undischarged and unstayed for a period of 60 consecutive days; or a decree or order of a court having jurisdiction in the premises of the appointment of a receiver or liquidator or trustee or assignee in bankruptcy or insolvency of the Company or of its property, or for the winding-up or liquidation of its affairs, shall have been entered, and such decree or order shall have remained in force undischarged and unstayed for a period of 60 consecutive days; or
- (4) the Company shall institute proceedings to be adjudicated a voluntary bankrupt, or shall consent to the filing of a bankruptcy proceeding against it, or shall file a petition or answer or consent seeking reorganization under any Bankruptcy Law, or shall consent to the filing of any such petition, or shall consent to the appointment of a receiver or liquidator or trustee or assignee in bankruptcy or insolvency of it or of its property or shall make an assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts generally as they become due.

A Default under clause (2) above is not an Event of Default until the holder notifies the Company of the Default and the Company does not cure such Default (and such Default is not waived) within the 60 days after actual receipt of such notice (a "Notice of Default"). Any such notice must specify the Default, demand that it be remedied and state that such notice is a Notice of Default.

Section 3.2 Acceleration.

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If an Event of Default (other than an Event of Default specified in clause (3) or (4) of Section 3.1 hereof) occurs and is continuing, the holder by notice to the Company may declare the principal amount and any accrued but unpaid interest thereon to the date of declaration to be immediately due and payable. Upon such a declaration, such principal amount and accrued but unpaid interest shall become and be due and payable immediately. If an Event of

Default specified in clause (3) or (4) of Section 3.1 hereof occurs and is continuing, the principal amount and any accrued but unpaid interest shall become and be immediately due and payable without any declaration or other act on the part of the holder.

Section 3.3 Other Remedies.

If an Event of Default occurs and is continuing, the holder may pursue any available remedy to collect the payment of the outstanding principal amount and any accrued but unpaid interest on this Note or to enforce the performance of any provision hereof.

A delay or omission by the holder in exercising any right or remedy accruing upon an Event of Default shall not impair the right or remedy or constitute a waiver of, or acquiescence in, the Event of Default. No remedy is exclusive of any other remedy. All available remedies are cumulative.

Section 3.4 Undertaking for Costs.

In any suit for the enforcement of any right or remedy under this Note, a court in its discretion may require the filing by any party litigant in the suit of an undertaking to pay the costs of the suit, and the court in its discretion may assess reasonable costs, including reasonable attorneys' fees and expenses, against any party litigant in the suit, having due regard to the merits and good faith of the claims or defenses made by the party litigant. This Section 3.4 does not apply to a suit by the holder for the enforcement of the payment of the principal amount or accrued but unpaid interest on or after the due date.

Section 3.5 Waiver of Stay, Extension or Usury Laws.

The Company covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay or extension law or any usury or other law wherever enacted, now or at any time hereafter in force, which would prohibit or forgive the Company from paying all or any portion of the principal amount or any interest thereon, as contemplated herein, or which may affect the covenants or the performance of this Note.

ARTICLE 4 SUBORDINATION

Section 4.1 Agreement of Subordination.

The payment of the principal amount or interest thereon in respect of this Note shall, to the extent and in the manner hereinafter set forth, be subordinated and subject in right of payment to the prior payment in full in cash or other payment satisfactory to the holders of Senior Indebtedness of all Senior Indebtedness of the Company, whether outstanding at the date of this Note or thereafter incurred, or thereafter created, assumed or guaranteed.

OCC 011360

No provision of this Article 4 shall prevent the occurrence of any Default or Event of Default hereunder.

Section 4.2 Payments to the Holder.

No payment shall be made with respect to the payment of any principal or interest on this Note, if:

(i) a default in any payment obligations in respect of Designated Senior Indebtedness occurs and is continuing, without regard to any applicable period of grace (whether at maturity or at a date fixed for payment or by declaration or otherwise); or

(ii) any other default occurs and is continuing with respect to Designated Senior Indebtedness that permits the holders of such Designated Senior Indebtedness as to which such default relates to accelerate its maturity and the Company receives a notice of the default (a "Payment Blockage Notice") from a holder of Designated Senior Indebtedness or a Representative of Designated Senior Indebtedness.

If the Company receives any Payment Blockage Notice pursuant to clause (ii) above, no subsequent Payment Blockage Notice shall be effective for purposes of this Section unless and until at least 365 days shall have elapsed since the initial effectiveness of the immediately prior Payment Blockage Notice. No nonpayment default that existed or was continuing on the date of delivery of any Payment Blockage Notice to the Company shall be the basis for a subsequent Payment Blockage Notice (it being acknowledged that (x) any action of the Company or any of its Subsidiaries occurring subsequent to delivery of a Payment Blockage Notice that would give rise to any default pursuant to any provision of Senior Indebtedness under which a default previously existed (or was continuing at the time of delivery of such Payment Blockage Notice) shall constitute a default for this purpose and (y) any breach of a financial covenant giving rise to a nonpayment default for a period ending subsequent to the date of delivery of the respective Payment Blockage Notice shall constitute a new event of default for this purpose).

The Company may and shall resume payments on and distributions in respect of this Note:

(1) in case of a default referred to in clause (i) above, the earlier of the date upon which the default is cured or waived in accordance with the terms of the governing instrument or ceases to exist, or

(2) in the case of a default referred to in clause (ii) above, the earlier of the date upon which the default is cured, waived in accordance with the terms of the governing instrument or ceases to exist or 179 days pass after the applicable Payment Blockage Notice is received if the maturity of such Designated Senior Indebtedness has not been accelerated, unless this Article 4 otherwise prohibits the payment or distribution at the time of such payment or distribution.

Upon any payment by the Company or distribution of assets of the Company of any kind or character, whether in cash, property or securities, to creditors upon any dissolution or